TTAB

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

IN THE MATTER OF REGISTRATION NO. 2,693,944
DATE OF ISSUE: MARCH 16, 2004

EARTHLITE MASSAGE TABLES, INC.,	**OPPOSITION NO. 92045166**
PETITIONER,	**REGISTRANT LIFEGEAR, INC.'S RESPONSE IN OPPOSITION TO PETITIONER'S MOTION TO SUSPEND THIS CANCELLATION PROCEEDING**
vs.	
LIFEGEAR, INC.,	
DEFENDANT.	

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I. INTRODUCTION

Registrant LIFEGEAR, INC. ("LifeGear" or "Registrant") hereby responds in opposition to Petitioner EARTHLITE MASSAGE TABLES, INC.'s ("Earthlite's" or "Petitioner's") motion to suspend this cancellation proceeding. Earthlite admits that LifeGear had already first filed a motion to stay the parallel trademark infringement suit in the District Court until the present cancellation proceedings have been resolved. LifeGear's motion to stay has been fully briefed by both parties, and the District Court has taken LifeGear's motion under submission on the papers (see, Exh. 1)[1]. LifeGear expects the District Court will issue its ruling on LifeGear's motion shortly. As such, it is regrettable that Earthlite would now choose to file the present motion without first hearing from the District Court. In light of LifeGear's motion to stay already before the District Court, the present motion is duplicative and improper. LifeGear therefore requests that the Board deny the motion without prejudice to await the District Court and heed whatever ruling the District Court issues on LifeGear's motion to stay the litigation.

[1] All exhibit references in this brief refer to the exhibits attached to the end of this brief unless otherwise indicated.

II. STATEMENT OF FACTS

LifeGear applied for and received federal trademark registrations for its EARTHGEAR trademark (U.S. Trademark Registration No. 2,693,944) and its EARTHGEAR THERAPEUTIC INNOVATIONS and Hand Design trademark (U.S. Trademark Registration No. 2,822,462) (collectively, "the EARTHGEAR Trademarks"). LifeGear has been using these marks in commerce since at least as early as September 6, 2002, just as it is stated in these two registrations.

Earthlite has known of LifeGear and LifeGear's commercial use of its EARTHGEAR Trademarks for this entire time. Earthlite first sent LifeGear a cease and desist letter concerning the EARTHGEAR Trademarks on August 4, 2003. (Exh. 2). LifeGear responded with a detailed letter back to Earthlite denying that its use of the EARTHGEAR Trademarks infringed any of Earthlite's trademark rights. (Exh. 3). Earthlite appeared to have been convinced and conceded the point by October 31, 2003 when it chose to drop its allegations for over a year and a half. (Exh. 4).

Thereafter, Earthlite remained quiet until April 1, 2005 when it filed and served a trademark infringement complaint in the District Court for the Southern

District of California against LifeGear. (See, Exh. A attached to Petitioner's motion). Later, on November 3, 2005, Earthlite also filed the two petitions to cancel the EARTHGEAR Trademarks herein.[2] The Trademark Trial and Appeal Board's ("Board's" or "TTAB's") first attempt to deliver the notice of proceedings to LifeGear failed because, in the intervening years since registration LifeGear had moved.

On December 12, 2005, the Board successfully mailed LifeGear the revised notice of the first of these proceedings. Due to the holiday season, LifeGear's counsel did not learn of this first cancellation proceeding until January 20th and learned of the second cancellation proceeding only through its own search of the TTAB records after it was notified of the first proceeding. LifeGear's counsel immediately filed LifeGear's answers to both petitions to cancel.

LifeGear also promptly filed a motion with the Southern District of California to stay the litigation principally on the grounds (1) that Earthlite had

[2] One of the petitions to cancel formed the basis for the present cancellation proceeding, and the other petition formed the basis for concurrent Cancellation Proceeding No. 92045160 concerning the other of the EARTHGEAR Trademarks.

initiated the present cancellation proceedings, (2) that the Trademark Office had already evaluated the registrability of the EARTHGEAR Trademarks and found them deserving registrations, (3) that the TTAB has special expertise and familiarity concerning matters of trademark registration and infringement and provides a degree of uniformity of decisions, and (4) that the TTAB and its procedures provide a considerably less expensive forum for resolving the infringement dispute. (See, Exh. B attached to Petitioner's motion). LifeGear's motion to stay has been fully briefed by both parties, and the District Court has taken LifeGear's motion under submission on the papers (see, Exh. 1).

Despite being fully aware of LifeGear's motion and despite being the party that filed the petition to cancel that initiated the present cancellation proceedings, Earthlite filed the present duplicative motion to stay these cancellation proceedings. In response, LifeGear hereby requests that the Board deny the motion without prejudice to re-file or defer to any ruling that is expected shortly from the District Court on LifeGear's motion to stay that litigation.

III. THE BOARD SHOULD DEFER TO THE DISTRICT COURT AS IT MAY STAY THE LITIGATION PENDING THE OUTCOME OF THESE CANCELLATION PROCEEDINGS

In the Ninth Circuit, District Courts have wide latitude to stay this litigation pending the determination of the TTAB under both the theory of the TTAB's specialized knowledge and expertise and the District Court's inherent power to control its docket and to provide for a just determination of the cases pending before it.

Both of these bases were discussed in detail in Citicasters Co. v. Country Club Communications, 44 U.S.P.Q. 2d 1223, 1224 (C.D. Cal. 1997) (see, Exh 5, attached hereto for ease of reference). The Citicasters decision is on all fours with the facts and law of the present motion. LifeGear discussed the Citicasters decision at length in its moving papers, but Earthlite was silent and did not even address the Citicasters decision in its opposing papers.

In Citicasters, the defendant had filed with the TTAB a petition to cancel the plaintiff's trademark registration after the plaintiff had filed a trademark infringement action against defendant in the District Court for the Central District

of California. The defendant then filed a motion to stay the litigation pending the outcome of the cancellation proceedings. The District Court acknowledged that the TTAB has specialized knowledge and expertise on issues of trademark registration and infringement and that the doctrine of primary jurisdiction had been applied to the TTAB. The District Court surveyed the pertinent decisions addressing the primary jurisdiction doctrine as applied to the TTAB. Citicasters, 44 U.S.P.Q. 2d at 1223. The district court held that these cases support a court's exercise of discretion to stay an action in favor of TTAB cancellation proceedings. Id. The case for a stay in Earthlite's infringement action is even stronger since it was the plaintiff Earthlite who initiated both the litigation in the District Court and the present parallel cancellation proceeding, whereas in Citicasters it was the defendant who initiated the cancellation proceedings.

In granting the defendant's motion to stay, the Citicasters court reasoned that the TTAB's specialized knowledge in effecting a likelihood of confusion determination likely would prove valuable to the court. Id. Similarly, the District Court may well stay Earthlite's infringement action pending the TTAB's likelihood of confusion determination as such determination would effectively resolve or prove valuable to this Court in resolving this issue, and may promote

settlement by the parties without the need for any further costly litigation. Courts have also acknowledged the desire and sound public policy of uniformity of regulation that the TTAB decision making offers. C-Cure Chemical Co., Inc. v. Secure Adhesives Corp., 571 F. Supp. 808, 823 (W.D.N.Y. 1983) (staying litigation pending TTAB cancellation proceeding). Also, the Board is in a better position to "draw upon its unique familiarity with the vast array of trademark cases" that it deliberates on a regular basis. The Driving Force, Inc. v. Manpower, Inc., 498 F. Supp. 21, 25 (E.D. Pa. 1980) (likewise staying litigation pending TTAB proceeding).

The Citicasters court acknowledged that the Ninth Circuit affords district courts "wide latitude" to stay an action pursuant to the District Court's inherent power to control its docket and to provide for a just determination of the cases pending before it. Citicasters, 44 U.S.P.Q. 2d at 1224 (citing, Leyva v. Certified Grocers of California, Ltd., 593 F.2d 857, 864 (9th Cir. 1979)). The district court in Citicasters concluded from its survey of these cases that this wide latitude to stay an action applies whether the separate proceedings are judicial or administrative in character, whether the administrative body's decision is binding or not on the court's decision, and even whether or not the parallel decision

creates presumptions that may affect the court's decision. Citicasters, 44 U.S.P.Q. 2d at 1224. The TTAB is a substantially less expensive forum for the parties while they attempt to resolve this dispute, which could settle all issues. In any event, if the parties do not reach a settlement beforehand, the decision by the TTAB will inform the District Court on, and may effectively eliminate, certain issues, thereby streamlining any remaining issues for this Court.

Consequently, the District Court may well exercise its power and stay this matter until the cancellation proceedings are concluded. The TTAB is a more economical forum for the parties to address their dispute and may better precipitate settlement. Also, the TTAB with its specialized knowledge and experience concerning the likelihood of confusion between two trademarks would effectively resolve or inform this Court on certain trademark-specific issues in this litigation. LifeGear therefore urges the Board to defer to the District Court, which will decide whether or nor to stay this litigation in favor of the Board's specialized knowledge and experience in the determination of trademark registration and infringement.

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IV. EARTHLITE HAS NOT SATISFIED ITS BURDEN OF SHOWING GOOD CAUSE FOR ITS MOTION TO STAY

A motion to suspend proceedings must be supported by good cause:

> (c) Proceedings may also be suspended, ***for good cause***, upon a motion or a stipulation of the parties approved by the Board.

37 C.F.R. § 2.117 (emphasis added).

The authorities relied on by Earthlite are not controlling or applicable. These authorities addressed and were intended to address the situation where (1) one party first files a petition to cancel and the adverse party responds by filing a trademark infringement action in a district court, or where (2) one party first files a trademark infringement action in a district court, and while the litigation is proceeding, the adverse party files a petition to cancel with the TTAB in an attempt to gain some advantage. Here, in contrast, Earthlite first filed its infringement action, and afterwards, in an apparent attempt to gain an advantage for itself, subsequently filed with the petitions to cancel LifeGear's Trademarks that initiated these proceedings.

It appears improper for Earthlite to create its own circumstances from which to now argue that it has "good cause" to stay its own cancellation proceedings. In either event, this determination should be decided shortly by the District Court, and LifeGear requests that the Board simply allow the District Court to rule on LifeGear's motion to stay the litigation.

In fact, it is LifeGear who stands to be harmed if the Board stays these proceedings in that Earthlite's evident intention throughout the litigation is to cost LifeGear as much money as possible. LifeGear has contended all along that this matter is imminently resolvable and that Earthlite appears instead to prefer using the court system -- and this TTAB proceeding -- to harm LifeGear regardless of the actual outcome of the litigation or these cancellation proceedings. This is because LifeGear is very successfully competing against Earthlite in the marketplace, and Earthlite has a failed and uncompetitive business model that is desperately losing its stranglehold on the portable massage table industry. Earthlite's own delay of over a year and a half in initiating its infringement action and this cancellation proceeding has already harmed LifeGear. By the time Earthlite served its complaint in its infringement action on April 1, 2005 and learned of this cancellation proceeding in December 2005, LifeGear had long

relied on Earthlite's silence in building up LifeGear's EARTHGEAR trademarks and EARTHGEAR line of products.

V. CONCLUSION

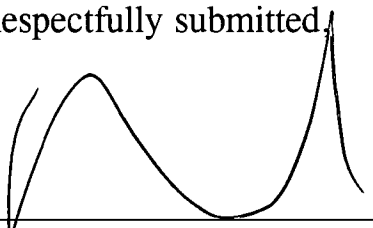
LifeGear requests that the Board deny Earthlite's motion without prejudice to re-file or to defer ruling until after the District Court rules on LifeGear's pending motion to stay the infringement suit Earthlite brought against LifeGear. In that motion, LifeGear has argued that a stay of the litigation is warranted due to the specialized knowledge and experience of the TTAB in determining issues of trademark registration and infringement between two trademarks. Additionally, the District Court may exercise its broad discretion to stay the infringement action under Ninth Circuit precedence in light of issues of substantial justice and proper management of its docket. That motion has been fully briefed by both parties, and the District Court's ruling is expected any day now.

LifeGear would be unduly prejudiced if the Board stay these cancellation proceedings since the infringement action is substantially more costly for LifeGear. These cancellation proceedings will just as adequately address

Earthlite's trademark issues, which could effectively eliminate, or at least inform the District Court on, most issues in the case, thereby streamlining the case. Most importantly, the TTAB decision would be significantly less expensive of a venue for the parties to address this dispute and may better precipitate settlement of this matter before having return to this Court.

LifeGear therefore requests that the Board deny Earthlite's motion without prejudice to re-file or to defer any ruling until after the District Court decides LifeGear's motion to stay the infringement suit.

Respectfully submitted,



Date: March 6, 2006

Daniel M. Cislo, Esq.
Kelly W. Cunningham, Esq.

CISLO & THOMAS LLP
233 Wilshire Boulevard, Suite 900
Santa Monica, California 90401
Telephone: (310) 451-0647
Telefax: (310) 394-4477
Attorney for Registrant LIFEGEAR, INC.

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EXHIBIT 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

EARTHLITE MASSAGE TABLES, INC.,

Plaintiff,

vs.

LIFEGEAR, INC.,

Defendant.

CASE NO. 05cv0667 DMS (AJB)

ORDER RE: ORAL ARGUMENT

Defendant's motion for stay pending cancellation proceedings in the United States Trademark Trial and Appeal Board is scheduled for hearing on March 3, 2006. The Court finds this matter suitable for submission without oral argument pursuant to Local Civil Rule 7.1(d)(1). Accordingly, no appearances are required at this time.

IT IS SO ORDERED.

Dated: 2-27-06

DANA M. SABRAW
UNITED STATES DISTRICT JUDGE

CC: JUDGE BATTAGLIA
ALL PARTIES

EXHIBIT 2

MS&V LLP
Attorneys at Law

August 4, 2003

This correspondence is subject to FRE Rule 408

Certified U.S. Mail, Return Receipt Requested

Legal Department
Earth Gear
9858 Baldwin Place,
El Monte, CA 91731

Re: Our file No. B-0110

To Whom It May Concern:

This office represents Earthlite Massage Tables, Inc. (hereinafter "Earthlite") in the protection of its trademarks, symbols, copyrights and other intellectual property.

It has come to our attention that EarthGear has been using a trademark incorporating the word "Earth" in the first portion of its identifying mark. For your convenience, I have enclosed copies of the Earthlite trademarks from the U.S. Patent and Trademark Office. The Earth reference in EarthGear's trademark is problematic as it is confusingly similar to the Earthlite name owned exclusively by Earthlite. The fact that both companies deal in massage related equipment and incorporate the word "Earth" into the first portion of their identifying mark makes it likely the two brands will be confused.

Earthlite has spent a great deal of time, effort, and resources in developing, marketing and defending its trademarked names and symbols. Moreover, Earthlite has spent exorbitant amounts of money advertising its trademarks. As such, Earthlite works vigorously to defend these marks against infringement. Therefore, we must demand that you immediately cease and desist infringement upon Earthlite's trademarks, copyrights, symbols and other intellectual property.

I would appreciate the opportunity to speak with you at your earliest convenience. In this manner, I am optimistic that we can reach an accord which is mutually satisfactory.

Very truly yours,

MORRIS & SULLIVAN LLP

Shawn D. Morris

:enclosure

Doc#15241

EXHIBIT 2
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Electronic Search System (TESS)

TESS was last updated on Tue Jul 15 04:23:28 EDT 2003

Logout Please logout when you are done to release system resources allocated for you.

Start List At: [ ] OR Jump to record: [ ] **Record 1 out of 2**

Check Status *(TARR contains current status, correspondence address and attorney of record for this mark. Use the "Back" button of the Internet Browser to return to TESS)*

EARTHLITE
World's #1 Brand in Massage

Word Mark	EARTHLITE WORLD'S #1 BRAND IN MASSAGE
Goods and Services	IC 010. US 026 039 044. G & S: Massage Tables. FIRST USE: 19991012. FIRST USE IN COMMERCE: 19991026
Mark Drawing Code	(3) DESIGN PLUS WORDS, LETTERS, AND/OR NUMBERS
Design Search Code	010725
Serial Number	75839139
Filing Date	November 2, 1999
Published for Opposition	August 28, 2001
Change In Registration	CHANGE IN REGISTRATION HAS OCCURRED
Registration Number	2508704
Registration Date	November 20, 2001
Owner	(REGISTRANT) Earthlite, Inc. CORPORATION CALIFORNIA 2750 La Mirada Drive Vista CALIFORNIA 92083

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Attorney of Record	STEVEN G. ROEDER
Prior Registrations	2238613
Disclaimer	NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "WORLD'S #1 BRAND IN MASSAGE" APART FROM THE MARK AS SHOWN
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Electronic Search System (TESS)

TESS was last updated on Tue Jul 15 04:23:28 EDT 2003

Logout Please logout when you are done to release system resources allocated for you.

Start List At: [ ] OR Jump to record: [ ] **Record 2 out of 2**

Check Status *(TARR contains current status, correspondence address and attorney of record for this mark. Use the "Back" button of the Internet Browser to return to TESS)*

EARTHLITE

Word Mark	**EARTHLITE**
Goods and Services	IC 010. US 026 039 044. G & S: Massage tables. FIRST USE: 19870831. FIRST USE IN COMMERCE: 19871031
Mark Drawing Code	(3) DESIGN PLUS WORDS, LETTERS, AND/OR NUMBERS
Design Search Code	010701
Serial Number	75419492
Filing Date	January 15, 1998
Published for Opposition	January 19, 1999
Registration Number	2238613
Registration Date	April 13, 1999
Owner	(REGISTRANT) Earthlite Massage Tables, Inc. CORPORATION CALIFORNIA 2750 La Mirada Drive Vista CALIFORNIA 92083
Attorney of Record	MICHAEL H JESTER
Description of	The mark comprises "EARTH LITE" and a stylized globe design.

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Mark	
Type of Mark	TRADEMARK
Register	PRINCIPAL
Live/Dead Indicator	LIVE

EXHIBIT 2
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EXHIBIT 3

DAVID L. DAVIS
ATTORNEY AT LAW
90 WASHINGTON VALLEY ROAD
BEDMINSTER, NEW JERSEY 07921

PATENT AND TRADEMARK MATTERS

TELEPHONE (908) 719-8961
FACSIMILE (908) 781-1489
david@davispatent.com

September 24, 2003

Shawn D. Morris, Esq.
Morris & Sullivan
10680 Treena Street
Suite 100
San Diego, CA 92131

Dear Mr. Morris:

Re: Earthlite vs. EarthGear
Your ref. B-0110; Our ref. 06LIF96649

I represent LifeGear, Inc., the manufacturer and distributor of products sold under the EarthGear trademark, and have been provided with a copy of your August 4, 2003, letter alleging infringement of your client's Earthlite trademarks.

Initially, I would advise you that my client is the owner of U. S. Trademark Registration No. 2,693,944, issued March 4, 2003, for EARTHGEAR. During the prosecution of the application that resulted in that registration, the Examining Attorney in the U. S. Patent and Trademark Office specifically stated that she "...has searched the Office records and has found no similar registered or pending marks which would bar registration..." At the time of that statement (i.e., May 16, 2001) your client's registrations were either pending or registered, so we can presume they were included in the Examining Attorney's search of the Office records. Further, the application for registration of the trademark EARTHGEAR was published for opposition purposes on January 22, 2002, and your client declined the opportunity at that time to challenge my client's right to use the mark EARTHGEAR.

In any event, you have alleged that my client's use of its registered trademark EARTHGEAR is confusingly similar to your client's mark EARTHLITE. I would note however, that your client does not have a registration for the mark EARTHLITE. Your client's two registrations are for design marks including a globe and a stylized form of the compound word EARTHLITE, with

DAVID L. DAVIS
ATTORNEY AT LAW

one of the registrations also including a tag line, which tag line has been disclaimed apart from the overall mark.

Turning now to the issue of confusion, while the goods of our clients may be similar, one must consider the usages of the trade and the character of the markets where the trademarks are intended to serve their purposes. It is pertinent to note that the goods in question are expensive and would not be purchased hastily - only after careful consideration. Since these goods are of a type that people would buy only after very careful examination and consideration, this fact will waylay the risk of confusion since a consumer would not purchase this type of costly item on a mere appraisal of the trademarks at issue. Further, one must keep in mind the circumstances under which the goods are requested and provided. It is relevant to note that the items at issue would likely be purchased by professional people involved in the relevant profession of massage. Such purchasers would be discerning individuals who would make an informed decision.

When considering the issue of confusion, one must examine the similarity, or dissimilarity, of the marks in question. In this instance, the only similar element between the two marks is the word EARTH. However, the word EARTH is a common element of trademarks associated with a wide variety of goods and services. A quick search on the website of the U. S. Patent and Trademark Office resulted in 4,565 hits for marks containing the word EARTH, fourteen of which were in International Class 010, the class in which EARTHLITE is registered. Thus, one must assess the marks in question in their entirety. When one does so, it is apparent that the idea expressed by EARTHGEAR has no relevance or meaning related to the idea expressed by EARTHLITE. These are different ideas with no relation to one another.

In summary, based upon the care which would be taken in purchasing the goods associated with the marks in question and the fact that those goods are expensive items, the specialized individuals who would be purchasing the goods, and the dissimilarity of the marks in question, it is clear that there is no likelihood of confusion between the marks in question. To conclude otherwise would in effect give your client exclusivity in the word EARTH, and such exclusivity cannot be justified

DAVID L. DAVIS
ATTORNEY AT LAW

based upon the state of the trademark registry of the U. S. Patent and Trademark Office or upon the inherent weakness of a word such as EARTH.

I therefore demand that you withdraw your claim of infringement against my client. Unless I hear from you to the contrary no later than October 10, 2003, I shall conclude that your demand is withdrawn. If you would like to discuss this matter in further detail, please feel free to contact me.

Very truly yours,

David L. Davis

cc: Mr. Paul Hsieh, LifeGear, Inc.
Mr. Michael Callera, LifeGear, Inc.

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EXHIBIT 4

David L. Davis

From: "David L. Davis" <david@davispatent.com>
To: "William Lemkul" <lemkul@morrissullivanlaw.com>
Cc: "Hsieh, Paul" <PaulH@lifegearusa.com>
Sent: Friday, October 31, 2003 12:11 PM
Subject: Re: Earthlite v. Earthgear

Mr. Lemkul,

I apologize if you misunderstood my email to say that further discussions will yield nothing. You set forth your position in Mr. Morris' letter to my client and I set forth my position in my letter to Mr. Morris. You then said you had an idea for an amicable settlement, but never conveyed that idea to me. My attempts to contact you by telephone have been unsuccessful. My last email asked you to put your proposal for an amicable settlement in writing, but you still have not done so. I am still open to receiving your proposal.

Very truly yours,

David L. Davis
----- Original Message -----
From: "William Lemkul" <lemkul@morrissullivanlaw.com>
To: "David L. Davis" <david@davispatent.com>
Cc: "Hsieh, Paul" <PaulH@lifegearusa.com>; "Shawn Morris" <morris@morrissullivanlaw.com>
Sent: Friday, October 31, 2003 11:48 AM
Subject: RE: Earthlite v. Earthgear

Mr. Davis:
I have been out of the office this week which is why I asked you to speak with Shawn Morris. Also, you may have seen reports of the fires here in San Diego which stopped short of our offices by one mile. In any event, the tone of your email is unnecessary and counter-productive. I gather from your email that any further discussion of this matter will yield nothing. Irrespective of that, I will contact my client, and then call you and thereafter respond to your letter. Please advise if you (and your client) are open to such an exchange.

Regards,
Will

-----Original Message-----
From: David L. Davis [mailto:david@davispatent.com]
Sent: Monday, October 27, 2003 6:46 AM
To: William Lemkul
Cc: Hsieh, Paul; Shawn Morris
Subject: Re: Earthlite v. Earthgear

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Mr. Lemkul,

Since my letter of September 24, 2003, you have done nothing but stall, ignore my calls, promise to call at a certain time and then not call, all the while saying there may be a way to amicably settle this dispute. Now you are turning this case back to the person who wrote my client the original threatening letter. This has gone far enough. In my letter of September 24, 2003, I clearly set forth my position. My opinion has not changed since then. If you disagree with me or wish to propose an amicable settlement, please have it put in writing and send it to me. Otherwise, I will consider the matter closed.

----- Original Message -----
From: "William Lemkul" <lemkul@morrissullivanlaw.com>
To: "David L. Davis" <david@davispatent.com>
Sent: Friday, October 24, 2003 8:25 PM
Subject: RE: Earthlite v. Earthgear

Please contact Shawn Morris at Morris@morrissullivanlaw.com to discuss further...

-----Original Message-----
From: David L. Davis [mailto:david@davispatent.com]
Sent: Tuesday, October 21, 2003 1:09 PM
To: William Lemkul
Subject: Re: Earthlite v. Earthgear

Mr. Lemkul,

Who else besides us do you propose be involved in a conference call? I am available now, tomorrow afternoon, and Thursday morning. Please remember that there is a three hour time difference between us.

Regards,

David L. Davis
908-719-8961
----- Original Message -----
From: "William Lemkul" <lemkul@morrissullivanlaw.com>
To: "David L. Davis" <david@davispatent.com>
Sent: Tuesday, October 21, 2003 3:47 PM
Subject: RE: Earthlite v. Earthgear

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Dear Mr. Davis:

Unfortunately, no, the matter is not closed.
I have responded to every call placed by you and I too have left several voicemails which, as far as I know, you have responded. I note that I sent you the attached email on October 1st and you are just now writing back. I simply presumed you were busy and was trying to give you some time. In any event, I would like to schedule a conference call so we may discuss this matter in detail. If you could forward some available times and dates I could set the conference call up with AT&T or some other such provider.

Regards,

Will Lemkul

Morris & Sullivan
Telephone (858) 566-7600
Telecopier: (858) 566-6602

-----Original Message-----
From: David L. Davis [mailto:david@davispatent.com]
Sent: Tuesday, October 21, 2003 12:39 PM
To: William Lemkul
Subject: Re: Earthlite v. Earthgear

Mr. Lemkul,

I tried on several occassions to call you and got your voicemail, but you
never responded to my calls. I therefore presume that this matter is closed.

David L. Davis
----- Original Message -----
From: "William Lemkul" <lemkul@morrissullivanlaw.com>
To: <david@davispatent.com>
Sent: Wednesday, October 01, 2003 5:32 PM
Subject: Earthlite v. Earthgear

Dear Mr. Davis:

I received your letter dated September 24, 2003 which was sent in response to Earthlite's cease and desist letter.
Employing the Sleekcraft factors, it is clear that your client's use of

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the mark "Earthgear" is confusingly similar to Earthlite's federally registered and common law trademarks. Earthlite believes there is a way to amicably resolve this situation, and they have asked that I speak with you and your clients as soon as possible.
Please contact me at your earliest convenience to discuss.

Regards,

Will Lemkul

Morris & Sullivan
Telephone (858) 566-7600
Telecopier: (858) 566-6602

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EXHIBIT 5

S. 1004 [172
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tition claims, those claims must fail. There is thus no genuine issue for trial, and summary judgment in favor of defendants is appropriate.

CONCLUSION

For the foregoing reasons, defendants' motion to dismiss is denied. Defendants' motion for summary judgment is granted, and plaintiff's complaint is dismissed in its entirety.

It is so ordered.

U.S. District Court
Central District of California

Citicasters Co. v. Country Club Communications

No. 97-0678 RJK

Decided July 21, 1997

JUDICIAL PRACTICE AND PROCEDURE

1. Procedure — Stays — In general (§410.2901)

Federal district court may find it is efficient for its own docket, and fairest course for parties, to enter stay of action pending resolution of independent proceedings which bear upon case; this rule applies whether separate proceedings are judicial, administrative, or arbitral in character, and does not require that issues in such proceedings are necessarily controlling of action before district court, and court has wide latitude to enter stay under this practical rule, provided it properly takes into account effect of delay and stage of proceedings.

2. Procedure — Stays — In general (§410.2901)

Trademark infringement action in federal district court will be stayed pending resolution of cancellation proceeding before Trademark Trial and Appeal Board involving mark at issue, since there is no evidence that stay will result in lengthy delay, since any minor delay that results will be countered by speed at which court will ultimately be able to decide issues presented after TTAB has offered its opinion, since little new discovery will be required, and since legal issues, although not disposed of, will be clearly set out; although some precedent recognizes that proceedings and determinations of Patent and Trademark Office are of limited importance in federal court proceeding, court is confident that TTAB will exercise its specialized knowledge in effecting determination that will prove valuable in resolving instant dispute.

Action by Citicasters Co. against Country Club Communications for infringement of plaintiff's registered trademark for its radio station call letters. On plaintiff's motion for preliminary injunction, and on defendant's motion to stay pending resolution of cancellation proceeding by PTO. Defendant's motion granted; plaintiff's motion denied without prejudice.

Alexander H. Rogers and Randall Evan Kay, of Gray, Cary, Ware & Freidenrich, San Diego, Calif., for plaintiff.

Donald M. Cislo and Daniel M. Cislo, of Cislo & Thomas, Santa Monica, Calif., for defendant.

Kelleher, S.J.

Defendant Country Club Communications asks the court to stay these proceedings so as to await the resolution of the United States Patent and Trademark Office's (the "PTO's") pending cancellation proceeding involving the KIIS Mark in dispute. Defendant and Plaintiff Citicasters present to the court a number of decisions — some of which suggest deference to administrative panels, while others instruct that courts do not generally defer to the PTO's Trademark Trial and Appeal Board ("TTAB"). *See e.g., Driving Force, Inc. v. Manpower, Inc.*, 498 F. Supp. 21 [211 USPQ 60] (E.D.Pa. 1980) (ordering stay pending TTAB resolution of opposition proceeding); *C-Cure Chem. Co. v. Secure Adhesives Corp.*, 571 F. Supp. 808 [220 USPQ 545] (W.D.N.Y. 1983). *Compare with, Goya Foods, Inc. v. Tropicana Products, Inc.*, 846 F.2d 848 [6 USPQ2d 1950] (2d Cir. 1988) (finding that a PTO proceeding was not a proper basis to stay the law suit); *E & J Gallo Winery v. F. & P.S., p.A.*, 899 F. Supp. 465 [35 USPQ2d 1857] (E.D.Cal. 1994) (adopting the analysis set out in *Goya Foods*). It appears to the court that these contrasting holdings merely reinforce the accepted canon that a decision to stay rests primarily within the district court's discretion — either under the briefed "primary jurisdiction" doctrine or through the court's power to monitor its own docket.

[1] The Ninth Circuit has held that "[a] trial court may, with propriety, find it is

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efficient for its own docket and the fairest course for the parties to enter a stay of an action before it, pending resolution of independent proceedings which bear upon the case. This rule applies whether the separate proceedings are judicial, administrative, or arbitral in character, and does not require that the issues in such proceedings are necessarily controlling of the action before the court." *Leyva v. Certified Grocers of Cal., Ltd,* 593 F.2d 857, 863-64 (9th Cir. 1979) (citing *Kerotest Mfg. Co. v. C-O-Two Fire Equip. Co.,* 342 U.S. 180, 72 S.Ct. 219, 96 L.Ed. 200 [92 USPQ 1] (1952); *Landis v. North American Co.,* 299 U.S 248, 254-55, 57 S.Ct. 163, 81 L.Ed. 153 (1936) (additional citations omitted)). The court went on to state: "In such cases the court may order a stay of the action pursuant to its power to control its docket and calendar and to provide for a just determination of the cases pending before it." *Id.* at 864. The Ninth Circuit is yet to back off from the wide latitude given to district courts under this practical rule, most recently upholding the language of *Leyva* in *Agcaoili v. Gustafson,* 844 F.2d 620,624 (9th Cir. 1988). *rev'd on other grounds,* 870 F.2d 462 (9th Cir. 1989). In affirming the district court's power to regulate its docket, the Supreme Court has recently stated "[t]he District Court has broad discretion to stay proceedings as an incident to its power to control its own docket. *Clinton v. Jones,* 117 S.Ct. 1636, 1639 (1997) (citing *Landis v. North American Co.,* 299 U.S. 248, 254, 57 S.Ct. 163, 165-66, 81 L.Ed. 153 (1936)). Though in *Clinton,* the Supreme Court overruled the grant of a stay, the court recognized that a stay is acceptable when the court properly takes into account the effect of delay and the stage of proceedings.

[2] Because of the lack of demonstrable harm if a stay should be granted, and because of the efficiencies generated by the TTAB first addressing the issues involved in this matter, the court hereby stays the current proceedings. As to potential harm, plaintiff suggests that a period of additional years will result should the court stay the matter. Plaintiff provides no support for this supposition. Certainly, however, Plaintiff is correct that deferring to an administrative body over which this court will eventually exercise *de novo* review will result in some time passing before this court makes its determinations. Yet the court finds that any minor delay is countered by the speed at which the court will ultimately be able to decide the issues herein, after the TTAB has offered its essentially advisory opinion. There will be little in the way of new discovery and the legal issues, though not disposed of, will be clearly set out.

The court acknowledges the reasoning present in such cases as *American Bakeries Co. v. Pan-O-Gold Baking Company,* 650 F. Supp. 563, 566 [2 USPQ2d 1208] (D.Minn. 1986) (noting that "the proceedings and determinations of the PTO are of limited importance in a federal court proceeding"). Yet, ultimately, the court rests on precedent that does not require that the relevant administrative body's decisions bind or control — or even create presumptions that effect — its determinations. In granting the motion to stay, the court is confident that the TTAB will exercise its specialized knowledge in effecting a determination that will prove valuable to this court. Commensurate with this order, plaintiff's motion for a preliminary injunction and defendant's ex parte application for a continuance are denied, the former without prejudice.

IT IS SO ORDERED.

CERTIFICATE OF SERVICE

I hereby certify that one (1) copy of this document is being deposited with the United States Postal Service as First Class Mail, postage affixed, in an envelope addressed to:

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Dated: March 6, 2006

By: _____
Daniel M. Cislo, Esq., Reg. No. 32,973
Kelly Cunningham, Esq., Reg. No. 43,570

CERTIFICATE OF MAILING

I hereby certify that the original document is being deposited with the United States Postal Service as first class mail, postage affixed, on the date set forth below in an envelope addressed to:

Commissioner for Trademarks
2900 Crystal Drive
Arlington, Virginia 22202-3513
ATTN: TTAB NO FEE

Dated: March 6, 2006

By: _____
Daniel M. Cislo, Esq., Reg. No. 32,973
Kelly Cunningham, Esq., Reg. No. 43,570